

United States Department of Agriculture  
Research, Education, and Economics

**ARS □□ ERS □□ NASS □□ NIFA**  
***Bulletin***

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This bulletin provides general guidelines for the internal REE performance management program for all Non---SES/SL/ST/SSTS employees.

Changes are highlighted throughout the document for eased reference.

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## Purpose

To provide guidance to managers and supervisors on performance management. Performance management is the systemic process of planning, monitoring, developing, rating, and rewarding performance. This REE bulletin is a derivative of the United States Department of Agriculture (USDA) Departmental Regulation on Performance Management 4040-430.

[Click here](#) to view the regulation.

## Section I. Establishing Performance Plans

The performance year for all employees is October 1 through September 30. The Departmental Regulation for Performance Management requires that all organizational goals and individual employee performance plans be in place as close to the beginning of the performance year as possible or the start of a new position, as is practicable. With proper planning, eligible employees must receive their performance plans:

1. Within 30 days from the beginning of the performance year (**i.e. No later than October 30**); or
2. Within 15 days of starting a new position, detail, or temporary promotion of 90 or more days; or
3. Within 10 days of a decision to extend a detail or temporary promotion to 90 days or more.

For a listing of appointment types that require a performance plan, [click here](#).

Performance plans must be documented, in writing, on the appropriate *Performance Plan, Progress Review and Appraisal Worksheet for Non-Supervisory Positions* (Form AD-435E) or *Supervisory Positions* (Form AD-435S). For instructions on completing the AD-435E [click here](#) and the AD-435S [click here](#).

### ALL EMPLOYEE PERFORMANCE PLANS MUST INCLUDE:

- **Alignment:** Employee performance plans must align with and support organizational goals. The performance plan's alignment statement must list the USDA's or Agency's strategic goals or management initiatives. **The use of one or more of USDA's strategic goals is recommended.**

Example performance plan alignment statement: *"This position directly contributes to the accomplishment of USDA **Strategic Goal No.** (Identify the Goal Number), (Provide title of Strategic Goal). The elements of these performance standards reflect the specific milestones, outcomes, and accomplishments expected."*

**NOTE: More than one strategic goal may be used, but at least one must be specified.** To access specific agency Strategic Plan, please click on the applicable department or agency below:

[ARS](#)

[ERS](#)

[NASS](#)

[NIFA](#)

[USDA](#)

- **Mission Results Performance Element:** The mission results performance element in the performance plan must be the first performance element and must be strategically aligned to a goal in the USDA's or agency's strategic plan. This element identifies the strategic goals and/or management initiatives and lists the associated strategies and objectives to demonstrate proper alignment of the performance element with the USDA's or Agency's Strategic Plan.

Example mission results alignment statement: *"This position directly contributes to the accomplishment of Agency **Strategic Goal No.** (Identify the Goal Number), (Provide title of Strategic Goal). The performance standard reflects the specific milestones, outcomes, and accomplishments expected."*

- **Results Focused:** Employee performance plans hold employees accountable for achieving results appropriate to their level of responsibility. A Results-Oriented performance plan should define the specific results/outcome to be achieved.
- **Specific Performance Standard:** A specific performance standard must be included for each element. The performance standard must define how well an employee has to perform on the associated element in order to be appraised at a specific level. Standards must be attainable, verifiable, and written at the "Fully Successful" level.
- **Credible Measures:** Employee performance plans must provide for balance so that, in addition to describing expected results, the performance plans include appropriate measures such as quality, quantity, timeliness, and/or cost-effectiveness, or some combination of these indicators of competencies, as appropriate. Measures must allow for a range of performance, and must allow for the means to attain the "Fully Successful" level. **Generic/standardized performance plans must contain, at a minimum, one performance standard with specific, credible measures.**

Example 1 of a specific credible measure: A critical element and standard for a supervisor of a work unit that completes casework might be written as, *"The work unit reduces the case backlog by 50 percent by the end of the fiscal year, with at least 96 to 98 percent accuracy in the cases completed."* The result is a reduced case backlog. It is aligned to an organizational goal of customer satisfaction that specifies reducing the case backlog during the fiscal year. The measures of performance are the percent of reduction of backlog (quantity), the accuracy rate (quality), and the fiscal year (timeliness).

Example 2 of a specific credible measure: A critical element and standard for a scientist might be written as, “*Completes two manuscripts that reflect original research and valid interpretations, as determined by the Research Leader (RL), for publication in refereed journals, books, monographs, electronic publications, and abstracts. Manuscripts must be submitted to journal and/or other outlet and documented in ARIS, via form ARS-115, within the rating period. Form ARS-115 must be approved by the RL prior to submission.*” The result is two approved manuscripts. It specifies the research must be original and valid, as determined by the RL. The measures of performance are the number of manuscripts (quantity) and within the rating period (timeliness).

When using generic/standardized performance plans that do not contain specific credible measures, supervisors should, when possible, supplement the standards to further define or clarify the supervisor’s expectations as applicable to the employee’s respective position and duty location.

- **Customer Perspective:** Customer perspective measures consider the organization’s performance through the eyes of its customers, so that the organization retains a careful focus on customer needs and satisfaction. To achieve the best in business performance, agencies must incorporate reasonable customer needs and wants consistent with the agency’s mission and must take them into account as part of their performance planning. To do this, you must determine who the customer is, and what those customers expect, in the context of the employing Agency’s business purpose and mission. There must be some evidence of two-way communication with customers.

Example of customer perspective measure: “*Customers/Stakeholders respond that the regulations a work unit proposed are flexible, easier to read and follow, and take into account the customers’/stakeholders’ previous comments/feedback.*”

- **Employee Perspective:** Employee perspective measures encourage employees to develop creative and effective ways to accomplish the organization’s goals and objectives. These measures can range from a description of behaviors or competencies demonstrated, to including the results of customer and employee surveys. (Required for supervisory performance plans.)

Example of employee perspective measure: “*Proactively seeks and listens to employees and objectively considers others’ ideas and opinions, even when they are in conflict with one’s own.*”

**NOTE:** All performance plans must contain a minimum of three performance elements, and no more than seven performance elements. Plans must have at least one critical element. Plans should have at least one non-critical element in order to obtain all five summary rating levels.

NON-SUPERVISORY PERFORMANCE PLAN:	SUPERVISORY PERFORMANCE PLAN:
<ul style="list-style-type: none"> <li>• Critical element #1 must be the Mission Results Performance Element. <b>Worth 4 appraisal units.</b></li> <li>• Must contain the agency approved EEO/CR performance standards in a relatable critical element (See appropriate agency below for specific language).</li> <li>• All critical elements, excluding Critical Element #1, are worth 2 appraisal units.  (1) All non-critical elements are worth 1 appraisal unit.</li> <li>• At the minimum, one performance standard in the plan must contain a credible measure.</li> </ul>	<ul style="list-style-type: none"> <li>• Critical element #1 must be the Mission Results Performance Element. <b>Worth 4 appraisal units.</b></li> <li>• Critical Element #2 must be a standalone Leadership/Management/Supervision performance element. The element must include the following performance standards: (a.) General Supervision, (b.) Performance Management, (c.) Hiring and Recruitment (if applicable), (d.) Retention and Succession Planning, (e.) Cultural Transformation, (f.) Employee Perspective, and (g.) Customer Perspective. <b>Worth 4 appraisal units.</b></li> <li>• Critical Element #3 must be a standalone agency approved EEO/CR performance element (See appropriate agency below for specific language).</li> <li>• All critical elements, excluding Critical Elements #1 and 2, are worth 2 appraisal units.  (1) All non-critical elements are worth 1 appraisal unit.</li> <li>• At the minimum, one performance standard in the plan must contain a credible measure.</li> </ul>

For agency approved EEO/CR performance elements please click on the appropriate agency below:

[ARS](#)

[ERS](#)

[NASS](#)

[NIFA](#)

### **Employee Involvement**

Rating officials are required to involve employees in the development of performance plans. However, the final authority for establishing performance plans resides with the rating official. Rating officials can use different methods to gain employees' input such as jointly developing the plan; permitting the employee to prepare a draft performance plan; requesting employee's comments on draft performance plan prepared by the rating official; or employees who occupy similar positions, prepare draft performance plan(s) with supervisor's approval. This early employee engagement is an essential element of effective performance management.

### **Finalizing the Performance Plan**

The following **MUST** be completed to establish a performance plan:

1. Rating official and reviewing official have signed and dated the plan (Rating and Reviewing Officials must sign and date the plan prior to obtaining the employee's signature);
2. Expectations have been communicated to the employee;
3. Employee has signed, dated, or declined to sign plan (employee's signature does not mean the employee agrees with the expectations/goals, but that the performance expectations have been communicated to him/her; conversely, failure to sign does not void the contents or enforcement of the plan). If an employee refuses to sign the plan, a note must be written in the employee signature box stating, "Discussion of the performance plan was held on (date) and the employee declined to sign the plan."
4. Employee has identified if they participated in the development of the performance plan; and
5. A copy of the performance plan has been provided to the employee and original maintained in the supervisor's file.

### **Individual Development Plan**

Supervisors and managers are reminded that employees should have an established Individual Development Plan (IDP). The creating of IDPs is a partnering effort that can be an opportunity to determine immediate and long-term goals and accomplishments. The establishment of the IDP provides the parties an opportunity to set objectives and plan learning experiences that will support the individual's development. **It is recommended that IDPs are put in place when performance plans are established. In addition, to comply with the USDA Cultural Transformation Action Plan, supervisors are required to conduct and document at least one formal IDP review following the initial establishment of the IDP for the current performance rating period. It is recommended the**

IDP review be conducted during the mid-year progress review; however, it must be completed no later than **June 30**. For more information on IDPs [click here](#).

### **Performance Management Training**

All employees, supervisors and non-supervisors, are required to complete training in Performance Management on a biennial basis. Employees may choose a training that meets the curriculum requirements below or complete the “Performance Management in USDA” training in AgLearn. [Click here](#) to take the course.

The curriculum of any performance management training course must contain one or more of the following to satisfy the biennial requirement:

- a. Concepts and practical use of performance management
- b. Setting expectations
- c. Managing performance for results
- d. Linking individual performance to organizational goals
- e. Setting effective goals for individual performance
- f. Establishing and applying objective measures of performance
- g. The performance appraisal process
- h. Writing accomplishment reports
- i. Communicating organizational performance to employees
- j. Giving and receiving feedback
- k. Using reward and recognition to achieve and sustain higher levels of performance
- l. Addressing performance deficiencies
- m. Developing competencies

Completion of required Performance Management Training must be documented on the AD-435E, Certification of Performance Management Program Training section; and on the AD-435S, Certification of Training section; with employee and supervisor’s signature and date. In addition, completion of training must be updated in the performance plan section of the Performance Accountability Database (PAD).

### **Performance Plans Audit**

The Performance and Awards Staff (PAS) conducts an annual audit of the REE Mission Area performance plans. The audit samples a percentage of performance plans to ensure plans are in compliance with the Department of Agriculture’s (USDA) policies and procedures, as outlined in the Departmental Regulation, 4040-430, *Performance Management*. Agencies and/or locations will be notified if performance plans are not in compliance or contain vulnerabilities. Non-compliant performance plans must be corrected by the designated due date. Where applicable, recommendations for performance plans that contain vulnerabilities should be reviewed and amended appropriately.



## **Performance Plan Accountability and Reporting**

The Department's Cultural Transformation Action Plan has a requirement that supervisory performance plans include an element with standards that hold the supervisor accountable for the performance management of subordinates. Supervisors or managers that fail to comply and carry out their performance management responsibilities are subject to falling below the "Meets Fully Successful" level of performance in the Supervision and/or Leadership and Management performance element.

Once a performance plan has been established, PAD must be updated to reflect the most current performance plan data for each employee. An employee listing, which identifies those employees who require performance plans, can be accessed by the designated PAD users. Please [click here](#) for a list of PAD users by Agency. For the new performance year, PAD must be updated for all employees by **November 14**. For new employees, PAD must be updated within 15 days of their entrance on duty (EOD) date.

## **Section II. Conducting Mid-Year Progress Reviews**

Supervisors are required to provide regular, recurring feedback to each employee throughout the performance year. A mid-year review is a formal discussion between the supervisor and employee in which the employee's work performance is compared against the established standards for critical and non-critical elements established in their performance plan. The review should include evaluating progress toward achieving the Agency's organizational goals, as well as the applicable Secretary's Initiatives and/or Civil Rights performance related requirements.

### **An effective Progress Review provides an opportunity to:**

- Review performance goals with the employee to ensure they are still relevant to his/her position;
- Communicate satisfaction/dissatisfaction with the employee's performance;
- Discuss areas for improvement and offer informal/formal training to improve;
- Discuss status of work assignments;
- Delegate new assignments or projects; and/or alter performance plan or make changes in goals or priorities;
- Review IDP and address current skills and competencies with developmental options; and
- Re-assess telework eligibility and/or agreements in the event performance has changed significantly, either positively or negatively.

### **Supervisors must conduct a progress review for employees:**

- Between **March 1 and April 30**, for employees who have been on an established performance plan for at least 90 days, as of March 1.
- At least once, at the midpoint of the established performance year, for appraisal periods of at least 180 days (such as new employees; or those on longer details, or temporary promotions

exceeding 90 days).

**NOTE:** Any eligible employee not already on an approved performance plan for the performance year must be placed on one immediately, and must receive a progress review at the midpoint of the performance year, or another appraisal period of at least 180 days. Employees on detail or temporary promotion lasting 90 or more days must have a performance plan and must have an interim rating at the end of the detail or temporary promotion.

Supervisors are highly encouraged to follow the guidance below on preparing and conducting a progress review. Any significant changes in an employee's duties, responsibilities, or work assignments should be reflected accurately in an updated performance plan within 30 days from the date of the change. Both the supervisor and employee should initial and date the change.

### **Preparing for Progress Review**

- Review the performance plan and identify the employee's positive and weak areas of performance;
- Gather facts and supporting documentation to support your observations;
- Solicit the employee for their mid-year accomplishment report, customer and peer feedback for consideration; and
- Schedule a meeting with the employee(s).

### **Conduct Progress Review**

- State specific facts related to performance;
- Describe impact of work products/deliverables;
- Be direct – the goal is to improve performance;
- Develop action plan(s) – request input from the employee;
- Give the employee(s) an opportunity to share their ideas;
- **Review/update established IDP;**
- Describe any changes that the employee needs to make in detail (Verbally communicate and document expected outcomes), including changes to existing telework eligibility and/or arrangements; and
- State reasons for the changes.

Progress Reviews must be documented on the original *Performance Plan, Progress Review, and Appraisal Worksheet* (AD-435E or AD-435S) with the employee and supervisor annotating their initials and date the review was conducted in their respective blocks titled "1<sup>st</sup> - 4<sup>th</sup> Quarter." The original, signed performance plan will be retained in the Supervisor's records. The AD-435E or AD-435S are not required to be submitted to the PAS at this time.

Feedback is not limited to the mid-year progress review. An individual's performance should be monitored and feedback provided throughout the rating cycle.

Once the formal mid-year progress review is completed, the rating official and employee must both initial the performance plan (Form AD-435E or AD-435S). PAD must be updated **no later than April 30** to verify compliance review requirements.

### **Performance Issues**

At any point during the performance year, if an employee's performance falls short of the "Fully Successful" level in a critical element, the rating official must afford the employee a reasonable opportunity to demonstrate acceptable performance commensurate with the duties and responsibilities of the employee's position. If a supervisor determines that an employee's performance does not meet the "Fully Successful" level in a performance element at the time of review, they should immediately contact the Personnel and Labor Solutions (PALS) Branch at [PALS-REE@ars.usda.gov](mailto:PALS-REE@ars.usda.gov) or 301-504-1349. Consistent with the principles of effective management, rating officials should also inform employees immediately when performance falls below the "Fully Successful" level in any non-critical element, as defined in the performance plan.

Supervisors should continue to monitor any evolving performance issues through the end of the rating period and take immediate action as necessary. Extensions of the rating period to accommodate a Performance Improvement Period/Plan (PIP) will only be granted in limited circumstances. In all cases, extended rating periods must be completed **no later than November 14**. For additional information on the PIP process, contact the PALS Branch.

### **Mid-Year Progress Review Accountability and Reporting**

The Department's Cultural Transformation Action Plan requires that the performance plans of all SES, managers, and supervisors include standards that hold the supervisor or manager accountable for the performance management of subordinates. Full compliance with the requirements of the DR 4040-430 will be a significant factor in achieving those performance standards, for both first-line supervisors and managers to whom they report, as they are in turn accountable for overseeing the responsibilities for their subordinate supervisors.

## **Section III. Completing Performance Appraisals**

The annual performance rating period ends September 30. Employees who have been under an established performance plan for 90 days or more must receive a rating of record. If an employee has not served on a formal performance plan at least 90 days as of September 30, the rating official may extend the appraisal period accordingly, but through no later than November 14. In order to extend the rating period, a performance plan or PIP must be in place by August 16. Employees on an extended rating period should receive their performance rating within two weeks of the end of their rating period, but **no later than December 1**. Performance appraisal information, for employees in an extended rating period, must be completed, submitted in PAD, and forwarded to the PAS **no later than December 1**.

New employees entering the Agency on or after August 16 should be placed on a new fiscal year performance plan, which will carry through to the end of the next performance year (e.g. If the employee came on board August 30, 2016, the employee should be placed on a Fiscal Year (FY) 2017 performance plan; therefore, the period covered will be August 30, 2016 through September 30, 2017.

### **Beginning the Process**

Supervisors should obtain an employee listing on September 1 which identifies those employees who require a rating for the current performance cycle. The employee listings can be accessed by the designated PAD users. Please [click here](#) for a list of designated users by Agency.

### **Completion of Performance Appraisal**

The rating official should initiate the performance appraisal form located at the end of Form AD-435E or AD-435S and proceed to assigning a rating for each critical and non-critical performance element and a summary rating. The rating official must discuss the tentative summary rating with the reviewing official and receive final approval. Both the rating and reviewing official must sign the AD- 435E or AD-435S before the performance discussion can be held with the employee. It is important to remember that the rating official and reviewing official cannot be the same person. The reviewing official must be at a higher organizational level than the rating official (usually the rating official's supervisor).

In order to effectively assist an employee who receives less than a "Fully Successful" summary rating, the supervisor must contact the PALS Branch immediately upon making that determination and prior to communicating with the employee about the rating. All employee relations assistance must be initiated by contacting the PALS Branch by phone at 301-504-1349 or email [PALS-REE@ars.usda.gov](mailto:PALS-REE@ars.usda.gov).

As a reminder, performance ratings of less than "Fully Successful" will change an employee's telework eligibility from eligible to ineligible based on suitability. If an approved telework agreement is in place for such an employee, it must be withdrawn and a new telework eligibility notice, changing an employee's eligibility, must be issued. An employee who is deemed ineligible to telework, based on suitability, cannot participate in the telework program. Even where performance remains at "Fully Successful" or above, this is also a good time to review telework agreements with employees to ensure the agreements are working satisfactorily for all concerned.

After the discussion, the employee should sign their AD-435E or AD-435S and a copy of the completed form should be provided to the employee and a copy retained in the supervisor's records. In addition, the PAD user must upload the AD-435E or AD-435S into PAD, as part of the performance and award package. The performance and award package will be reviewed, processed, and uploaded into the Employee's Personnel folder.

Please note, an employee's signature on the AD-435E or AD-435S only constitutes receipt of the appraisal. An employee's signature on the form does not mean the employee agrees with the rating given. If an employee chooses not to sign their AD-435E or AD-435S, a note should be written in the employee signature box stating, "*Performance review was held on (date) and the employee declined to sign.*"

Department Regulation requires that a written supervisory justification providing details concerning the employee's performance accompany the AD-435E or AD-435S, if the rating of record is "Outstanding" or "Unacceptable". The employee's accomplishment report can serve as the written justification for all other ratings of record.

### **Situational Circumstances**

Employees who retire or separate from the agency on or after September 30, and were on an established performance plan for at least 90 days must receive a rating of record.

Employees who are detailed or temporarily promoted for a period of 90 calendar days or longer must be provided with a performance plan clearly articulating expectations and an interim rating upon completion of the temporary assignment. A copy of the interim rating must be forwarded to the employee's supervisor of record, who must assess the appropriate level of consideration to give the interim rating when determining the rating of record.

Supervisors are required to prepare interim ratings for permanent or temporary changes for the employee, including reassignment, promotion, transfer, retirement, or resignation, if the employee served 90 or more days on a performance plan in the former position. Permanent or temporary changes in supervisors also require an interim rating.

A formal performance plan and interim rating are not required for employees detailed or temporarily promoted for periods of fewer than 90 days. However, written documentation regarding the employee's performance, typically in the form of an advisory assessment, should be obtained from the supervisor responsible for the detail or temporary promotion and given appropriate consideration by the employee's supervisor of record in reaching the applicable element ratings.

An interim rating is a written appraisal of an employee's performance conducted during the appraisal period. Interim appraisals are also referred to as advisory ratings. All interim ratings and advisory assessments should be completed within 15 days, and should be considered in deriving the employee's rating of record at the end of the appraisal period. When an employee separates from the agency, a copy of the interim rating must be retained by the supervisor. **It is recommended that supervisors retain a copy of subordinate employees' ratings for four years.**

## Section IV. Granting Awards

### **Performance Based Awards**

Managers and supervisors should only proceed with granting awards in compliance with internal agency policies.

**NOTE:** Performance-Based Awards will **NOT** be processed through the AFM Customer Service Portal.

Once determined, a Recommendation and Approval of Awards Form (AD-287-2) located in [‘eForms’](#) must be prepared for each award nomination. Employees rated “Fully Successful” or above are eligible for performance awards based on the applicable internal agency policy.

- All awards require a written justification. The justification must sufficiently address and support the recognition being recommended.
- If the rating of record is “Outstanding” and a Quality Step Increase (QSI) is being assigned, a copy of the written supervisory justification provided for the “Outstanding” rating is sufficient documentation for the QSI. The employee’s accomplishment report can serve as the written justification for all other awards (Superior and Fully Successful summary ratings).

### **Quality Step Increase (QSI)**

The purpose of a QSI is to provide recognition of sustained high-quality performance and faster-than-normal progression through the step rates of the General Schedule (GS)/General Manager (GM) pay systems. Unlike other forms of recognition, QSI’s permanently increase an employee’s rate of basic pay from one step of the grade to the next higher step of that grade. A QSI requires certification that the employee’s performance exceeds the normal requirements of the position and, based upon the employee’s past performance, that it is likely such high-quality performance will be sustained.

### **Minimum QSI Eligibility Requirements**

To be eligible for a QSI, employees must:

- Be below step 10 of their grade level;
- Have received an “Outstanding” summary rating;
- Not have received a QSI within the preceding 52 consecutive calendar weeks; and
- Occupy a permanent position.

QSI is subject to the above regulatory requirements as well as any internal agency policies.

A QSI does not change the effective date of the employee’s normal within-grade increase (WGI) except when the QSI places the employee in the fourth or seventh step. In this case, the employee would enter into a prescribed longer waiting period. When a WGI and QSI are effective on the same day, the WGI should be processed before the QSI to avoid situations where the QSI may place the employee in a longer waiting period.

The latest date a QSI will be made effective is the 1st pay period of the year. Any QSIs received after this date will be changed to cash awards.

A QSI will be processed as soon as practicable. Therefore, a QSI will not be held for a Within Grade Increase (WGI) to be effective (e.g. HRD receives a QSI for an employee in December and the employee is due a WGI in January).

A citation must be provided in Block 11 of the Form AD-287-2 for performance awards and QSIs. The following citation is recommended:

*“This award is based upon an official performance appraisal rating (**Fully Successful, Superior, or Outstanding**) for the rating period October 1, (year) through September 30, (year).”*

**NOTE:** An Employee who receives a QSI cannot receive a performance based Cash Award or Time Off Award (TOA), in whole or in part, based on the performance rating of record for the same appraisal cycle.

If the employee has demonstrated specific accomplishments or achievements during this time period that do not warrant a performance-based award, managers or supervisors may consider other awards such as extra effort or non-monetary awards if associated criteria is met.

### **Applicable to ARS ONLY**

ARS developed agency-wide award guidance to establish fair and equitable monetary & non-monetary performance recognition based on rating and grade. This policy was established to promote consistent employee recognition across the agency. These parameters will help to ensure the agency’s ability to track and adhere to potential OPM limitations and ceilings.

### **QSI**

**It is ARS policy,** that to be eligible for a QSI, the employee must:

- Be rated “Outstanding” for two consecutive rating periods

## **Applicable to ARS ONLY**

The QSI will be granted within the Agency QSI Award cap. When and if the number of QSI eligible recipients, based on the parameters set above, is greater than available QSI Award cap spending authority, priority will then be given to:

- Employees who have never received a QSI
- Employees who have not received a QSI in the preceding rating period
  - *Employees are able to receive a QSI in consecutive years BUT not within a 52 week period, per Federal law*
- Employees who have not been permanently promoted or changed job series within the last 12 months of the rating cycle
- Employees who do not have an Entry on Duty (EOD) date within the last 12 months of the rating cycle
- Employees at a higher step (Priority would be given to employees starting at step 9, proceeding in descending order.)

## **Performance Based Cash Awards**

Cash awards will be distributed fairly and equitably using a standard percentage of salary for “Outstanding” and “Superior” ratings. Award amounts will be determined and communicated after the performance ratings and award types have been entered into PAD.

## **Time-Off Awards (TOA) in Lieu of End of Year Performance Cash Awards**

- Time-Off Awards are distributed fairly and equitably by dividing the cash award amount by the standard hourly rate for each grade.
  - For example the assignment of a:
    - " 2% or greater cash award is equivalent to 40 hours
    - " 1.5% is equivalent to 30 hours
    - " 1% is equivalent to 20 hours
    - " .5% is equivalent to 10 hours
- By regulation, an employee may not receive more than 40 hours of Time-Off per award, and an employee may not receive more than 80 hours of Time-Off Award in a given Calendar Year.
- Time-Off Awards must be used within 12 months of receipt.

ARS will not combine TOAs and cash awards.

**NOTE:** The above guidance related to QSIs may conflict with the terms of an applicable Collective Bargaining Agreement (CBA). You are required to remain compliant with the provisions of the CBA. Questions regarding compliance should be addressed to the Labor Relations Officer at 301-504-1519.



## **Applicable to ARS ONLY**

### **Proration of Time-Off & Cash Awards for Part-Time/Intermittent Employees**

To ensure fairness and consistency between full-time and part-time/intermittent employees, PAD will prorate part-time and intermittent employees' time-off (TOA) and cash award amounts as indicated below.

- Part-time hours worked per pay period  $\div$  80 hours (max per pay period)  
i.e. If a part-time employee works 40 hours a pay period, the calculation would be:  
(40 $\div$ 80= 0.5)  
PAD User will enter 0.5 into the "Part-time hours" field on the "Performance Plan" tab.  
PAD will calculate the number of hours/cash award amount to be awarded.
- Intermittent employees will be prorated the same as part-time; however, using yearly hours (2080 hours), as opposed to pay period hours.  
i.e. If an intermittent employee works 1040 hours a year, the calculation would be:  
(1040 $\div$ 2080= 0.5)

### **Year-End Cut-off Date for Submitting Cash Awards**

All individual and group cash awards documentation must be submitted to the PAS, Human Resources Division (HRD), on or before **August 26**. HRD will partner with the respective Business Service Centers' (BSC) HR Branch to ensure that all awards received on or before this date are processed during the current FY processing cycle. These awards will automatically be charged against the fund holder's current FY accounting code as indicated on the Form AD-287-2. Additionally, these awards will apply to the organization's current FY awards spending limitations.

**NOTE:** Although awards received after **August 26** and before September 30 may be paid using current FY funds, they will count against the organization's spending limitation for the fiscal year that the monies are actually paid out to the payee. **Example:** If an award is made effective for September 21, 2016, and is paid out on October 2, 2016, the award will count against the FY 2017 award spending limitations.

All non-performance based cash awards should be submitted through the AFM Customer Service Portal for processing.

### **Requests to Change End-of-Year Performance Rating Award**

All requests to change an end-of-year performance rating award must be submitted by an authorized management official to the HRD/PAS. The supervisor or delegated authority will submit a new and properly signed AD-287-2, "Recommendation and Approval Award" form; or a copy of a corrected AD-287-2 with the word "Corrected" written across the top. The request to change the award will be granted only in the following circumstances:

- The supervisor's request is based on an administrative error in the preparation of the AD-287-2. For example, the supervisor approved a QSI, but the AD-287-2 was mistakenly prepared indicating a Performance Bonus, and
- The employee is informed and understands that he/she will be billed for and will repay any performance award monies already paid; and
- The supervisor's request to change the award type is submitted to HRD no later than the 3<sup>rd</sup> Friday following the end of the pay period in which the award was effective. For example, the award was effective as of pay period 24. In order to grant the change, the request would have to be received by the 1<sup>st</sup> Friday of pay period 26. This will allow ample time for an employee to identify that an error has occurred, inform his/her supervisor, and initiate action to change the award.

An employee or supervisor who would like to change the award type originally selected, where no administrative error has occurred, will not have their request granted. In these cases, the award was submitted by the customer in good faith, it was reviewed by HRD and appropriately processed by the respective Business Service Center, and no administrative error occurred.

## Section V. Submitting Completed Performance Appraisal and Award Packages

Prior to uploading performance appraisal/award packages into PAD, administrative personnel must update the performance appraisal tab in PAD to reflect the most current performance plan data for each employee. Performance appraisals and awards data must be updated in PAD, for **ARS** employees, **by November 2**; and for **ERS, NASS, and NIFA** employees, **by November 14**. All performance appraisal and award packages must be uploaded into PAD for review and processing **by November 14**.

An individual employee appraisal and award package must be uploaded as a single pdf document and arranged in the order listed below. Please do not include Individual Development Plans (IDPs), training forms, lists of publications, or other management documents in the uploaded package. Each package should be saved as: First name initial (uppercase), last name (lowercase), and last 4 digits of social security number (ex. Jdoe1234).

Order of documents uploaded as a single attachment (package):

1. Performance Plan, Progress Review and Appraisal Worksheet – AD-435E/S (Signed/dated by Reviewing Official, Rating Official, and Employee)
2. Written Award Justification (Supervisory justification or accomplishment report may be used as appropriate. Written Supervisory Justification is required for "Outstanding" or "Unacceptable" ratings. (See section III)
3. AD-287-2 (Signed/dated by Recommending and Approving Officials if an award will be submitted)

Every effort will be made to review and process all awards by pay period 1.

**NOTE:** Supervisors should consult applicable Collective Bargaining Agreements and comply with any time frames for the submission of performance appraisals and awards for bargaining unit employees. Questions on compliance should be addressed to the Labor Relations Officer at 301-504-1519

ARS DUE DATES			
Action	Complete no later than:	Update PAD no later than:	Uploaded into PAD no later than:
Establish Performance Plans	October 30	November 14	N/A
Conduct Mid-Year Progress Reviews	March 1 – April 30	April 30	N/A
Conduct IDP Reviews	March 1 – June 30	June 30	N/A
Complete Performance Appraisals	October 30	November 2 (enter rating)	November 14 (Complete performance/award package)
Complete Award Packages	November 14	November 2 (enter award type/QSI Amount)	November 14 (Complete performance/award package)
HRD/PAS Communicate Agency Award Amounts	November 7	N/A (PAS will update PAD)	N/A

**ARS PAD Users** must fill out the entire Performance Appraisal Tab no later than November 2; to include, performance rating, award type, and QSI amount, where applicable. Agency performance award amounts will be determined based on the performance ratings and award types entered into PAD and will be communicated to leadership for dissemination by **November 7**.

ERS / NASS / NIFA DUE DATES			
Action	Complete no later than:	Update PAD no later than:	Uploaded into PAD no later than:
Establish Performance Plans	October 30	November 14	N/A
Conduct Mid-Year Progress Reviews	March 1 – April 30	April 30	N/A
Conduct IDP Reviews	March 1 – June 30	June 30	N/A
Complete Performance Appraisals	October 30	November 14 (enter rating)	November 14 (Complete performance/award package)
Complete Award Packages	November 14	November 14 (enter award type)	November 14 (Complete performance/award package)

PERFORMANCE ACCOUNTABILITY DATABASE (PAD) REFERENCE GUIDE	
New User Requests	<p>1.) Complete the ARIS new user registration form located at: <a href="https://arisapp.ars.usda.gov/db_selection_sso.html">https://arisapp.ars.usda.gov/db_selection_sso.html</a></p> <p>In section 17 of the form, provide the mode code(s) the new user will be required to access.</p> <p>2.) Send completed form to <a href="mailto:Performance@ars.usda.gov">Performance@ars.usda.gov</a></p>
Adding/Removing Employees	<p>PAD is updated biweekly through NFC. PAD cannot be manually updated to add/remove employees.</p> <p>If the employee is not a new employee, they could possibly be coded with the incorrect mode code in NFC. (See below).</p>
Incorrect Mode Codes	Contact your servicing HR specialist in the BSC and request the employee's mode code be updated correctly in NFC.
Logging-in	You are required to have eAuthentication credentials. For help with eAuthentication, contact <a href="mailto:eAuthHelpdesk@ftc.usda.gov">eAuthHelpdesk@ftc.usda.gov</a> .
Additional Issues	<p>For questions, please contact:</p> <p>ARIS helpdesk – <a href="mailto:ARIS@ars.usda.gov">ARIS@ars.usda.gov</a>, or Performance and Awards Staff – <a href="mailto:performance@ars.usda.gov">performance@ars.usda.gov</a></p>

## Section VI. Compliance Reporting

HRD compiles and submits monthly compliance reports to the Office of Human Resources Management (OHRM), Department of Agriculture (USDA), and each Research, Education, and Economics (REE) Mission Area Agency. These monthly reports outline the agencies' compliance in meeting performance management requirements (i.e. Performance Plans, IDP, Mid-Year Reviews, IDP Review, and Performance Appraisals). **Compliance data is reflected in the Cultural Transformation Report and submitted to the USDA Secretary for review.** The data used to generate these reports are obtained from the Performance Accountability Database (PAD); thus, it is imperative that the PAD Users/Point of Contacts (POC) ensure the data entered into the database is accurate and updated in a timely manner. Tracking agencies' compliance ensures employees' rights are safeguarded, promotes a healthy working environment, and fosters a results driven organization.

Preliminary compliance reports will be compiled and sent to the agencies' POCs the third week of every month. The reports, with employees listed in PAD as delinquent, will be forwarded to the POCs for clarification and updating in PAD. POCs have five business days to update PAD **AND** notify the PAS of the updates/status. Additionally, the Business Service Center's (BSC) Deputy Directors will be provided a courtesy copy of the email correspondence for accountability purposes. Failure to provide updated data to the PAS within the set deadline, will result in the delinquent employees being reflected in the final monthly Compliance Reports that are submitted to OHRM and REE Leadership the first week of every month.

**NOTE:** The framework of policies and parameters are established by the Department as defined in 5 U.S.C. 4301(1) for the administration of performance appraisal programs under 5 U.S.C., Chapter 43, Subchapter I, and 5 CFR 430.

### **Contacts:**

Performance and awards management related questions may be referred to the Performance and Awards Staff at [performance@ars.usda.gov](mailto:performance@ars.usda.gov). Performance problems which may result in a less than "Fully Successful" rating should be referred to the Personnel and Labor Solutions Branch at [PALS-REE@ars.usda.gov](mailto:PALS-REE@ars.usda.gov) or 301-504-1349. Telework eligibility or agreement questions should be referred to the Work/Life staff at [worklife@ars.usda.gov](mailto:worklife@ars.usda.gov).

/S/

Diane T. McFadgen  
Director  
Human Resources Division

08/15/2016  
Date